



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

999 18TH STREET- SUITE 300

DENVER, CO 80202-2466

Phone 800-227-8917

<http://www.epa.gov/region08>

DOCKET NO.: CWA-08-2006-0051

IN THE MATTER OF:

DEVON ENERGY CORPORATION

DEVON ENERGY PRODUCTION CO., LP.

RESPONDENT

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FINAL ORDER

Pursuant to 40 C.F.R. §22.18, of EPA's Consolidated Rules of Practice, the Consent Agreement resolving this matter is hereby approved and incorporated by reference into this Final Order. The Respondent is hereby **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon receipt by Respondent of this Consent Agreement and Final Order.

9.29.06
DATE

SIGNED
Elyana R. Sutin
Regional Judicial Officer

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

In the Matter of:)
)
Devon Energy Corporation)
Devon Energy Production Company, LP)
) **EXPEDITED CONSENT**
) **AGREEMENT**
Respondent.) **DOCKET NO.: CWA-08-2006-0052**

Complainant, United States Environmental Protection Agency, Region VIII, and
Respondent, Devon Energy Corporation/Devon Energy Production Company, LP, by their
undersigned representatives, hereby settle the civil cause of action arising out of a spill of oil that
occurred on or about December 2, 2005, and violations of the Spill Prevention Control and
Countermeasures (SPCC) Plan regulations, and agree as follows:

The Clean Water Act (the Act), as amended, authorizes the Administrator of EPA to
assess administrative penalties against any person who discharges oil into or upon the navigable
waters and adjoining shorelines of the United States in quantities that have been determined may
be harmful to the public health or welfare or environment of the United States, 33 U.S.C. §
1321(b)(6) and (b)(3) or any person who violates the oil pollution prevention (SPCC)
regulations, promulgated at 40 CFR Part 112 under Section 311(j) of the Clean Water Act, 33
U.S.C. § 1321(j). This determination includes discharges of oil that (1) violate applicable water
quality standards, (2) cause a film, sheen, or discoloration of the surface of the water or the
adjoining shoreline, or (3) cause a sludge or emulsion to be deposited beneath the surface of the
water or the adjoining shoreline, 40 C.F.R. § 110.3 and the failure to prepare and implement an
SPCC plan, in accordance with 40 C.F.R. § 112.5, § 112.7, § 112.9 and § 112.10. This authority
has been properly delegated to the undersigned EPA official.

Respondent owns and/or operates the Beaver Creek Oil Field located in Fremont County, Wyoming.

Respondent admits that on or about December 2, 2004, its Beaver Creek Oil Field facility discharged approximately 5 barrels or less of crude oil into or upon Beaver Creek, a perennial stream, and/or its adjoining shoreline.

Respondent's discharge from its facility caused a sheen upon, or discoloration of, or caused a sludge or emulsion to be deposited on the surface of Beaver Creek and/or its adjoining shoreline.

Respondent's discharge constitutes a violation of Section 311 (b)(3) of the Act.

Respondent admits its facility is subject to the SPCC regulations.

Respondent admits that it failed to prepare and implement an SPCC Plan for its Beaver Creek Oil Field in accordance with 40 C.F.R. § 112.5, § 112.7, § 112.9 and § 112.10.

Respondent agrees to correct the cited violations of 40 C.F.R. § 112.5, § 112.7, § 112.9 and § 112.10 on the attached list within thirty (30) days unless an extension for achieving compliance is granted by EPA at its discretion.

Respondent agrees to submit a revised copy of the SPCC Plan for its Beaver Creek Oil Field to EPA for its review and approval.

Respondent admits that EPA has jurisdiction in this proceeding.

Respondent waives their right to a hearing before any civil tribunal, to contest any issue of law or fact set forth in this agreement.

This agreement, upon incorporation into a final order, applies to and is binding upon EPA and upon Respondent and Respondent's heirs, successors and assigns. Any change in ownership or corporate status of Respondent, including but not limited to any transfer of assets or real or

personal property, shall not alter Respondent's responsibilities under this agreement.

This Agreement contains all terms of the settlement agreed to by the parties.

Respondent consents and agrees to the assessment of a civil penalty of \$900.00, \$500.00 for the discharge of oil in violation of Section 311(b)(3) of the Act and \$400.00 for violations of Section 311(j) of the Act, which, shall be paid no later than 30 days after the effective date of the Final Order by means of a cashier's or certified check, or by electronic funds transfer (EFT). If paying by check, the Respondent shall submit a cashier's or certified check, payable to "Environmental Protection Agency," and bearing the notations "OSLTF – 311" and the title and docket number of this case. If the Respondent sends payment by the U.S. Postal Service, the payment shall be addressed to:

U.S. Environmental Protection Agency
P.O. Box 371099M
Pittsburgh, Pa. 15251

If the Respondent sends payment by a private delivery service, the payment shall be addressed to:

Mellon Client Service Center
ATTN: Shift Supervisor
Lockbox 371099M Account 9109125
500 Ross Street
Pittsburgh, Pa. 15262-0001

If paying by EFT, the Respondent shall transfer \$900.00 to:

Mellon Bank
ABA 043000261
Account 9109125
22 Morrow Drive
Pittsburgh, Pa. 15235

In the case of an international transfer of funds, the Respondent shall use SWIFT address MELNUS3P.

The Respondent shall submit copies of the check (or, in the case of an EFT transfer,

copies of the EFT confirmation) to the following persons:

**Tina Artemis, Regional Hearing Clerk (8RC)
U.S. EPA Region 8
999 18th Street, Suite 300
Denver, Colorado 80202-2466**

and

**Jane Nakad
Technical Enforcement Program (8ENF-UFO)
U.S. EPA Region 8
999 18th Street, Suite 300
Denver, CO 80202-2466**

Respondent states, under penalty of perjury, that they have (1) investigated the cause of the spill, (2) cleaned up the spill pursuant to federal requirements, (3) taken corrective actions to prevent future spills, and (4) Respondent will revise, implement, and maintain an SPCC plan in accordance with of 40 C.F.R. § 112.5, § 112.7, § 112.9 and § 112.10.

Respondent further agrees and consents that if Respondent fails to pay the penalty amount as required by this agreement once incorporated into the final order, or fails to make the corrective measures to obtain compliance or has not cleaned up the discharged oil as represented, this agreement is null and void, and EPA may pursue any applicable enforcement options.

The undersigned representative of Respondent certifies that he/she is fully authorized to enter into the terms and conditions for this agreement and to bind Respondent to the terms and conditions of this agreement.

The parties agree to submit this Consent Agreement to the Regional Judicial Officer, with a request that it be incorporated into a final consent order.

Each party shall bear its own costs and attorneys fees in connection with this matter.

This Consent Agreement, upon incorporation into a final consent order by the Regional Judicial Officer and full satisfaction by the parties, shall be a complete and full civil settlement of

the specific violations described in this agreement.

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 8,
Office of Enforcement Compliance and Environmental Justice, Complainant.**

By : **SIGNED** _____ Date: **9/27/06** _____
Elisabeth Evans, Director
Technical Enforcement Program
Office of Enforcement, Compliance and
Environmental Justice

Devon Energy Corporation/Devon Energy Production Company, LP, Respondent.

By : **SIGNED** _____ Date: **9/26/2006** _____
Name: **Don D. DeCarlo** _____
Title: **Vice President and General Manager** _____

**List of SPCC Violations
Beaver Creek Oil Field**

SPCC Plan [40 C.F.R. § 112.3]:

Failure to prepare a complete facility SPCC Plan in accordance with 40 C.F.R. § 112.5, § 112.7, § 112.9 and § 112.10 (previously 40 C.F.R. § 112.7).

Devon Energy Corporation/Devon Energy Production Company, LP's Beaver Creek Oil Field SPCC Plan, has the following violations:

Inadequate discharge prediction in violation of 40 C.F.R. § 112.7(b). No direction of flow of discharge is indicated on two of the six facility diagrams.

No discussion of secondary containment for all locations from which a discharge of oil may occur as required by 40 C.F.R. § 112.7(c). Unclear discussion of secondary containment for loading areas.

Failure to provide an oil spill contingency plan which follows all applicable provisions of Part 109 as required by 40 C.F.R. § 112.7(d)(1).

Inadequate procedures to confine all drainage from undiked areas in a catchment basin or holding pond as required by 40 C.F.R. § 112.9(c)(2). Alternative provision for containment for loading or other areas from which a discharge may occur.

No procedures to inspect saltwater disposal facilities, if any, as required by 40 C.F.R. § 112.9(d)(2).

No provision to position or locate mobile drilling or workover equipment to prevent a discharge as required by 40 C.F.R. § 112.10(b).

CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached **EXPEDITED CONSENT AGREEMENT/FINAL ORDER** in the matter **DEVON ENERGY CORPORATION, DEVON ENERGY PRODUCTION CO., LP., DOCKET NO.: CWA-08-2006-0051** was filed with the Regional Hearing Clerk on September 29, 2006.

Further, the undersigned certifies that a true and correct copy of the document was delivered to David Janik, Enforcement Attorney, U. S. EPA – Region 8, 999 18th Street, Suite 300, Denver, CO 80202-2466. True and correct copies of the aforementioned document was placed in the United States mail certified/return receipt requested on September 29, 2006, to:

Don D. DeCarlo, Vice President and General Manager
Devon Energy Corporation
20 North Broadway
Oklahoma City, OK 73102-8260

Regular Mail to:

U. S. Coast Guard
Commander
Finance Center (OGR)
1430 A Kristina Way
Chesapeake, VA 23326

And faxed to:

Michelle Angel
U. S. Environmental Protection Agency
Cincinnati Finance Center Accounting
Fax: 513-487-2063

September 29, 2006

SIGNED _____

Tina Artemis
Regional Hearing Clerk

**THIS DOCUMENT WAS FILED IN THE REGIONAL HEARING CLERK'S OFFICE
ON SEPTEMBER 29, 2006.**



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